



**Governor McCallum's Listening Session on Health Care Costs**  
**Wednesday, August 28, 2002**  
**UW Marathon County**

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**Executive Director**

I would like to thank Governor McCallum, Secretary Dube, and Commissioner O'Connell for traveling to Wausau to hear our community's concerns about rising health care costs and more importantly, for providing a forum for proposing potential solutions. I would also like to thank Dean Veninga and the University of Marathon County for hosting today's session.

On behalf of the Wausau Health Foundation, I am pleased to have the opportunity to serve as the moderator for this afternoon's session. For over 30 years the Wausau Health Foundation has been monitoring our community's health care needs and has supported innovative programs or services that help meet these needs.

For example, the Wausau Health Foundation in collaboration with the CaRE Foundation, the Wausau Heart Institute, and the Wausau School District are initiating a new project this fall funded by the Centers for Disease Control to document the magnitude and prevalence of risk factors for cardiovascular disease among school-age children in the Wausau School District. The underlying goal of this project is to develop educational interventions within the schools that can help prevent or minimize these diseases during adulthood.

In addition, and consistent with the goals of the state's Turning Point Initiative, the Foundation and the Marathon County Health Department are leading an effort to conduct an in-depth community health assessment that will identify and prioritize the health needs of Marathon County's residents – and more importantly, allow changes to be monitored over time.

Turning to the focus of our discussion today, health care costs have been and will continue to be a leading public policy issue on national, state, and local levels.

- Based on national data published by the Center for Studying Health Systems Change, premium increases for employer-based health insurance reached 11 percent in 2001, in contrast to an increase of less than 5 percent two years earlier. And analysts expect premiums to rise by an average of 13 percent in 2002.<sup>1</sup>

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<sup>1</sup> Navigating a Changing Health Care System. Center for Studying Health Systems Change. Annual Report 2001. p.1.

- According to the Kaiser Family Foundation, per capita personal health care expenditures in Wisconsin are 4 percent higher than the national average and spending on prescription drugs increased 19% between 2000 to 2001. This compares to a national increase of 17% and it ties WI with Louisiana for the 6th highest increase in the nation.<sup>2</sup>
- The United Way of Marathon County's 2001 Local Indicators for Excellence Report identified health care accessibility and costs among its issues to watch. While the LIFE report identified the high quality of local health care as a community strength, it cited concerns about the adequacy of reimbursements for Medicare and Medicaid, as well as concerns about the implications of employers passing rising health insurance costs on employees – and subsequent concerns about whether families can continue to afford coverage.<sup>3</sup>

Against a backdrop of these and other statistics that no doubt will be mentioned today, a number of questions emerge:

- How are these trends and concerns impacting local providers, purchasers, and consumers?
- What do we know about the underlying reasons for these trends that can inform the development of potential solutions?
- How will we measure and monitor the impact of potential solutions on costs, but also on the accessibility and quality of care?

This is the focus of today's session.

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<sup>2</sup> Kaiser Family Foundation. State Health Facts. <http://www.statehealthfacts.kff.org/>

<sup>3</sup> United Way of Marathon County. 2001. Local Indicators for Excellence (LIFE) Report. Wausau, Wisconsin